

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

In re CHINA NATURAL GAS, INC.  
SHAREHOLDER AND DERIVATIVE  
LITIGATION

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)  
) Consol. C.A. No. 11-1202-RGA  
)  
)

**STIPULATION AND ORDER FOR  
VOLUNTARY DISMISSAL PURSUANT TO FEDERAL  
RULES OF CIVIL PROCEDURE 23.1(c) AND 41(a)**

WHEREAS, in light of the Court's recent disposition of Plaintiffs' motion for a temporary receiver and application for relief against The NASDAQ Stock Market LLC ("NASDAQ"), no federal question remains in this action;

WHEREAS, the now-operative complaint principally seeks appointment of a receiver and should therefore be amended, and because an amended complaint will raise only state law issues, Plaintiffs believe that the Delaware Court of Chancery is the appropriate venue to adjudicate such claims;

WHEREAS, the only defendant to appear in this action, China Natural Gas, Inc. ("CNG"), upon review of Plaintiffs' motion for voluntary dismissal, determined that it would consent to dismissal of this action on the terms set forth below;

WHEREAS, pursuant to Federal Rule of Civil Procedure 23.1(c), a derivative action may be voluntarily dismissed only with the Court's approval;

WHEREAS, nothing of value of has been requested, offered, given or promised to Plaintiffs or their counsel to induce the dismissal of this action, and Plaintiffs undertake to promptly file an action in the Delaware Court of Chancery asserting claims arising out of the

events and transactions at issue herein; and WHEREAS, Plaintiffs have filed said Chancery action, *Kousa et al v Ji, et al*, No. 7559- (filed May 22, 2012); and, WHEREAS, the Court has indicated it would dismiss this case after the Chancery action was filed (D.I. 43);

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, and upon approval and entry by the Court shall be ORDERED, as follows:

1. Plaintiffs' motion for voluntary dismissal [Docket # 41] is withdrawn as MOOT. *The Motion to Stay (D.I. 35) is dismissed as moot.*

2. The above-captioned action is DISMISSED WITHOUT PREJUDICE.

3. By dismissal of this action, Plaintiffs do not waive any claims and CNG does not waive any defenses.

4. No notice of dismissal need be given to shareholders *in view of the filing of the Chancery action.*

IN WITNESS WHEREOF, the parties, through their undersigned counsel, have executed

this Stipulation and Order as of this 10th day of April, 2012.

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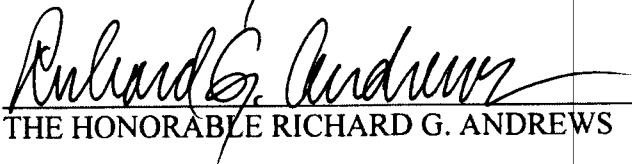
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IT IS SO ORDERED this 31<sup>st</sup> day of May, 2012.

  
THE HONORABLE RICHARD G. ANDREWS